

THE R&D BUBBLE?

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A few days ago I read on [onetribuna](#) of "Jon Argeder" warning of the R&D bubble in the Basque Country. I really don't understand the interest and motivation of launching this confusing and frivolous message. I say frivolous because I cannot understand how someone with a minimal knowledge of the world of research and technology, which seems to be the case of a columnist, compare what we have in this field with the excessive development of the construction sector in recent years or with

the speculative evolution of dotcoms in the 90s.

I share with Argeder the need that he proclaims to improve the effectiveness of the R&D organizational system and to increase connectivity between agents, focusing their activity on adding value. I am very concerned, however, that from the need to advance and improve, which is what really concerns, a bubble that "grows and grows" is proclaimed, letting it fall that public funds are excessive, that R&D detracts promotion funds for companies and that, little less, that public money is being thrown down the drain. I honestly believe that this is not the case.

The reality of the facts is very different and I will limit myself to putting on the table some statistical data in this regard (Eustat and EUROSTAT) in terms of the magnitude of the investment made in R&D, its evolution and the results achieved.

In 2009, a record year of R&D activity in the Basque Country, the investment made in internal R&D was 1,280 million euros, of which the Public Administration covered 42.5% (512 million euros), companies 53.4% and the rest, already very small parts. If we take the data from 2008 in which the effect of the crisis was not yet so noticeable in companies, the percentage of financing of R&D investment by companies rises to 56%, which is average EU16 and above countries such as France, Italy, the Netherlands, Austria and the United Kingdom among many others. In relative terms, the average public investment in R&D per business establishment is 2,692 Euros per year and the average investment per employee is 571 euros per year, which is what it costs to have a coffee a day. Doesn't it seem exaggerated to talk about a bubble?

Since 1996, total investment in R&D in the Basque Country has grown at an average annual rate of 10% nominal (current Euros for the year) and although public investment has grown somewhat more, private investment has also grown significantly (for above 9.5% annual average). This, at first sight, "galloping" growth is not so so if one takes into account, first of all, that nominal GDP grows in the same period at an average annual rate of around 6% (which means that the effort above the trend is around 4%) and, secondly, that it has been possible to arrive at a figure of investment in R&D as a percentage of GDP of 1.98% which, in the best of cases, it can be said that it is comparable to average European standards, but that it is clearly still a long way from the leading countries that we set ourselves as a reference point: we invest half as much as Finland and Sweden, 55% less than Denmark and 37% less than Germany. On the other hand, regions like Stuttgart, or Braunschweig in Germany, and Hovedstaden in Denmark almost triple our R&D effort over GDP. Does this really look like a bubble to you?

The results achieved by our technological research and development system are, how could it be otherwise, improvable, but that does not mean that there are some very relevant medals. In the first place, it has achieved a return of 194.7 million Euros in the first period of the European FP7, with a growth of 48.6% compared to FP6, competing with the best research consortia and companies in Europe. More than half of the return has been captured by the CCTT. Secondly, around 60% of the budget of TRI (121 million euros) and IK4 (80 million euros) comes from projects under contract and each of these groups has a private client portfolio of more than 1500 companies). Together they have more than 90 patents. Finally, the strategic commitment to the development of the biosciences sector, in addition to creating two reference research centers in Spain (CIC Biogune and CIC Biomagune) has managed to promote the creation of more than 70

companies, among which the group stands out. Progenika with an international presence and leading personalized medicine products.

Scientific-technological research is a high-risk activity and we would all like to see better and faster results, but the very nature of the activity means that they do not occur as quickly as we would like. But instead of discouraging us, this should be an encouragement for the joint work of civil society and the Public Administration, because in this field we really put our future at stake. And I am convinced that progress will only come if we are capable of successfully combining the improvement of the organizational conditions and systems of our R&D system, for which there is a long way to go, together with greater investment, because what we have invested up to Now they don't stop being crumbs.

There are no comments yet.